

Testimony before the Senate Insurance Committee on Senate Bills 178 and 179

March 5, 2013

Michigan Academy of Family Physicians

Good afternoon Chairman Hune and members of the Senate Insurance Committee. This testimony is being submitted on behalf of the Michigan Academy of Family Physicians, the state's largest physician specialty association. Representing over 3,000 members, the Academy's mission is to promote excellence in health care and the betterment of the health of the citizens of Michigan. We would like to provide our support of Senate Bills 178 and 179, which would require the development of a standard prior authorization form for prescription drugs benefits. These bills would help mitigate some of the unnecessary administrative burdens that are placed on family physicians every day.

While many regulations, like prior authorization, are well-intentioned they are often prone to unforeseeable consequences, many of which place unfunded mandates on physicians and the medical practice businesses that employ them. Because family physicians provide a broad range of healthcare services to Medicare, Medicaid, and private insurance patients and rely heavily on their personal relationships and direct interactions, many of these regulations are particularly onerous for them. Creating a standard prior authorization form for all insurers will help alleviate the unnecessary complexity of having to determine whether prior authorization is required, which form to use and what data is required. This frees up more time for the physician to do what they do best – care for patients.

Consider the fact that chronic diseases consume a large percentage of our nation's overall health care spending. As we transform the health care delivery model and pursue payment methodologies that reward outcomes over volume, freeing up more time for physicians to discuss personal wellness and chronic disease management will become ever more critical.

In Michigan, we are already experiencing a physician workforce shortage. As more individuals become eligible for insurance coverage under the Affordable Care Act, physicians will only face increased demand to see more patients on a daily basis.

In light of these challenges, we must aggressively pursue commonsense reforms that help streamline administrative processes so that physicians spend less time doing paperwork and more time with patients. Senate Bills 178 and 179 do just that. They represent the simple changes we can make now where all parties can find common ground. We request that you thoughtfully consider our testimony in support of these bills and pass them expeditiously.

Thank you to Senator Tonya Schuitmaker for her sponsorship of Senate Bills 178 and 179. We also thank each one of you for the opportunity to submit our testimony to you today.